

Congress of the United States

Washington, DC 20515

August 22, 2002

The Honorable Hector V. Barreto
Administrator
U.S. Small Business Administration
409 Third Street, SW
Washington, DC 20416

The Honorable James E. Rogan
Undersecretary and Director
U.S. Patent and Trademark Office
Washington, DC 20231

Dear Messrs. Barreto and Rogan:

Today, the General Accounting Office (GAO) is releasing a study on the costs and burdens to small businesses in obtaining, maintaining, and enforcing patents in foreign countries. The study entitled, "Federal Action Needed to Help Small Businesses Address Foreign Patent Challenges," finds that small businesses face a disproportionate burden in the area of foreign patents than their large-business counterparts. Based upon the recommendations by the GAO, we believe that the Small Business Administration (SBA) and the U.S. Patent and Trademark Office (USPTO) should coordinate their efforts to assist small businesses that are seeking foreign patents.

Small business is the driving forces of innovation in our country. According to a recent survey by the Trade Promotion Coordinating Committee, about 30 percent of U.S. companies that currently do not export, but express interest in exporting, cite the lack of information about export markets, customers, and export procedures. With the globalization of world markets it is essential that we provide small businesses with tools in reaching the technology markets in foreign countries.

Specifically, GAO recommends that: 1) the Director of the USPTO obtain input from small businesses, experts in global patent issues, and other interested parties in order to assess the advantages and disadvantages of various options for achieving additional patent law harmonization; and 2) the Administrator of the SBA, with assistance from the Director of the USPTO, collect and make available information about key aspects of foreign patent laws, requirements, procedures, and costs that would be useful to small businesses that are considering whether to obtain foreign patent protection.

Accordingly, we request the USPTO to convene a series of roundtable meetings with small business owners and policy experts by December 31, 2002, to hear views on the harmonization of global patent laws. We request that a synopsis of the proceedings and findings be provided to us by March 31, 2003.

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In addition, we request that the SBA collect information about foreign patent information pursuant to the GAO's recommendation and make the information available on the SBA's web site. We urge the USTPO to work closely with the SBA in compiling these materials.

We appreciate your assistance in this important matter for small, high technology businesses and await your response.

Sincerely,



Christopher S. Bond
Ranking Republican Member
Committee on Small Business
and Entrepreneurship
U.S. Senate



Donald A. Manzullo
Chairman
Committee on Small Business
U.S. House of Representatives